

1 BRETT A. AXELROD, ESQ.
2 Nevada Bar No. 5859
3 NICHOLAS A. KOFFROTH, ESQ.
4 Nevada Bar No. 16264
5 ZACHARY T. WILLIAMS, ESQ.
6 Nevada Bar No. 16023
7 **FOX ROTHSCHILD LLP**
8 1980 Festival Plaza Drive, Suite 700
9 Las Vegas, Nevada 89135
10 Telephone: (702) 262-6899
11 Facsimile: (702) 597-5503
12 Email: baxelrod@foxrothschild.com
13 nkoffroth@foxrothschild.com
14 zwilliams@foxrothschild.com
15 *Counsel for Debtor*

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UNITED STATES BANKRUPTCY COURT

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DISTRICT OF NEVADA

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CASH CLOUD, INC.,
dba COIN CLOUD,
Debtor.

Case No. BK-23-10423-mkn

Chapter 11

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**EX PARTE APPLICATION FOR
ORDER SHORTENING TIME
FOR HEARING ON *EMERGENCY*
MOTION FOR ORDER AUTHORIZING
DEBTOR'S ENTRY INTO SERVICES
AGREEMENT**

Hearing Date: N/A

Hearing Time: N/A

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Cash Cloud, Inc. d/b/a Coin Cloud (“Cash Cloud,” or “Debtor”), debtor and debtor-in-possession in the above-captioned Chapter 11 case (the “Chapter 11 Case”), by and through its undersigned counsel, Fox Rothschild LLP, hereby files this *Ex Parte Application For Order Shortening Time For Hearing* (the “Application”) on Debtor’s *Emergency Motion for Order Authorizing Debtor’s Entry Into Services Agreement* (the “Motion”).¹ This Application is made and

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¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

1 based upon the following points and authorities, the *Declaration of Brett A. Axelrod* (the “Axelrod
2 Declaration”) in support hereof and attached as **Exhibit A** hereto, the Attorney Information Sheet
3 filed concurrently herewith, and the pleadings and papers on file in the above-captioned chapter 11
4 case, judicial notice of which is respectfully requested.

5 WHEREFORE, for the reasons set forth herein, Debtor respectfully requests that the Court
6 hear the Motion on an order shortening time, and grant such other and further relief as may be just
7 and proper.

8 Dated this 13th day of September, 2023.

9 **FOX ROTHSCHILD LLP**

10 By: /s/Brett A. Axelrod
11 BRETT A. AXELROD, ESQ.
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14 Nevada Bar No. 16264
15 ZACHARY T. WILLIAMS, ESQ.
16 Nevada Bar No. 16023
17 1980 Festival Plaza Drive, Suite 700
18 Las Vegas, Nevada 89135
19 *Counsel for Debtor*

20 FOX ROTHSCHILD LLP
21 1980 Festival Plaza Drive, Suite 700
22 Las Vegas, Nevada 89135
23 (702) 262-6899
24 (702) 597-5503 (fax)

POINTS AND AUTHORITIES

I.

Debtor, by this Application, pursuant to Bankruptcy Rule 9006 and Rule 9006 of the Local Bankruptcy Rules for the United States Bankruptcy Court, District of Nevada (the “Local Rules”), seeks an order shortening time for notice and hearing for the Emergency Motion.

The Relief is Authorized by Rule 9006 and Meets Due Process Requirements.

Bankruptcy Rules 9006(c)(1) and (d) authorize a court to reduce the time for a hearing, and a party to file an *ex parte* motion to shorten the time for a hearing. Bankruptcy Rule 9006(c)(1) provides in relevant part:

In General. Except as provided in paragraph (2) of this subdivision, when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.

Fed. R. Bankr. P. 9006(c)(1).

Courts have generally acknowledged that such expedited relief does not violate due process rights, *even if the motion to shorten time is made ex parte*. “Bankruptcy Rule 9006(c) permits the bankruptcy court ‘for cause shown’ in its discretion, with or without motion or notice, to reduce the notice period, and ex parte motions for material reductions in the notice period are routinely granted by bankruptcy courts.” Hester v. NCNB Texas Nat’l Bank (In re Hester), 899 F.2d 361, 364 n. 3 (5th Cir. 1990); see also 10 Collier on Bankruptcy 9006.09 (16th ed. 2019 rev.); In re Gledhill, 76 F.3d 1070 (10th Cir. 1996).

Cause exists for the Court to shorten time on the Motion. The Debtor ceased all operations on June 12, 2023, and is unable to continue to make payments to its cash collection service providers. The Debtor consummated the sale of substantially all of its DCMs to Heller Capital on July 21, 2023. However, approximately \$1,546,931.00 (the “Remaining Cash”) remained in the Purchased DCMs. The Debtor needs to rapidly collect the Remaining Cash for the benefit of the Debtor, its creditors, and its estate. The Services Agreement allows Powercoin LLC to collect the Remaining Cash on behalf of the Debtor, minus the Fee (as described in the Services Agreement), at a significant discount when compared to the fees charged by the Debtor’s former cash collection service providers. Without

1 immediate entry of an order approving Debtor to enter into the Services Agreement, the Debtor will
 2 likely lose its ability to effectively collect the Remaining Cash.

3 Copies of the Motion and their related pleadings shall be served on: (a) the Office of the
 4 United States Trustee; (b) counsel to the Official Committee of Unsecured Creditors; (c) Debtor's
 5 secured creditors, and (d) the parties that have filed requests for special notice in the Chapter 11
 6 Case.

7 **Counsel Has Conferred With the Notice Parties.**

8 Prior to filing this Emergency Motion, and pursuant to Local Rule 9006, Counsel consulted
 9 the parties as shown on the Attorney Information Sheet For Proposed Order Shortening Time, filed
 10 concurrently herewith and incorporated by reference herein.

11 **II.**

12 **CONCLUSION**

13 WHEREFORE, for all of the foregoing reasons, Debtor respectfully requests that the Court
 14 hear the Emergency Motion on an expedited basis, and grant such other and further relief as may be
 15 just and proper.

16 Dated this 13th day of September, 2023.

17 **FOX ROTHSCHILD LLP**

18 By: /s/Brett A. Axelrod
 19 BRETT A. AXELROD, ESQ.
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 27 *Counsel for Debtor*
 28

1 EXHIBIT A

2 **DECLARATION AFFIRMING REQUESTED RELIEF**

3 I, Brett A. Axelrod, declare under penalty of perjury that: I am competent to make this
4 declaration under the laws of the United States and the State of Nevada; I have read the above
5 Application for an Order Shortening Time; and the facts stated therein are true and correct to the best
6 of my knowledge, information and belief.

7 DATED this 13th day of September 2023.

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9 By */s/Brett A. Axelrod*
10 BRETT A. AXELROD